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Emerson P. Jones

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EXAMINER

CAMPEN, KELLY SCAGGS

ART UNIT

PAPER NUMBER

3691

NOTIFICATION DATE

DELIVERY MODE

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ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

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<b>Office Action Summary</b>	<b>Application No.</b> 10/680,010	<b>Applicant(s)</b> JONES ET AL.	
	<b>Examiner</b> Kelly Campen	<b>Art Unit</b> 3691	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-20 is/are pending in the application.  
     4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-20 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
     Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
     Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☒ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
     a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. ____.                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date ____.  | 6) <input type="checkbox"/> Other: ____.                          |

**DETAILED ACTION***Specification*

The abstract of the disclosure is objected to because it exceeds 150 words and it includes language which may be implied ("Various embodiments of the present invention relate to ..." see below, emphasis added). Correction is required. See MPEP § 608.01(b).

Applicant is reminded of the proper language and format for an abstract of the disclosure.

The abstract should be in narrative form and generally **limited to** a single paragraph on a separate sheet **within the range of 50 to 150 words**. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited. The form and legal phraseology often used in patent claims, such as "means" and "said," should be avoided. **The abstract should describe the disclosure sufficiently to assist readers in deciding whether there is a need for consulting the full patent text for details.**

**The language should be clear and concise and should not repeat information given in the title. It should avoid using phrases which can be implied, such as, "The disclosure concerns," "The disclosure defined by this invention," "The disclosure describes," etc.**

The disclosure is objected to because of the following informalities: The Applicant is reminded of the proper content of the specification, specifically, the applicant is reminded of the sections which appear to be missing from the instant

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application, in particular, the background of the invention and the brief summary of the invention.

In addition, each of the headings for each section should be in capital letters without underlining or bold type.

Appropriate correction is required.

### **Content of Specification**

- (a) Title of the Invention: See 37 CFR 1.72(a) and MPEP § 606. The title of the invention should be placed at the top of the first page of the specification unless the title is provided in an application data sheet. The title of the invention should be brief but technically accurate and descriptive, preferably from two to seven words may not contain more than 500 characters.
- (b) Cross-References to Related Applications: See 37 CFR 1.78 and MPEP § 201.11.
- (c) Statement Regarding Federally Sponsored Research and Development: See MPEP § 310.
- (d) The Names Of The Parties To A Joint Research Agreement: See 37 CFR 1.71(g).
- (e) Incorporation-By-Reference Of Material Submitted On a Compact Disc: The specification is required to include an incorporation-by-reference of electronic documents that are to become part of the permanent United States Patent and Trademark Office records in the file of a patent application. See 37 CFR 1.52(e) and MPEP § 608.05. Computer program listings (37 CFR 1.96(c)), "Sequence Listings" (37 CFR 1.821(c)), and tables having more than 50 pages of text were permitted as electronic documents on compact discs beginning on September 8, 2000.
- (f) Background of the Invention: See MPEP § 608.01(c). The specification should set forth the Background of the Invention in two parts:
  - (1) Field of the Invention: A statement of the field of art to which the invention pertains. This statement may include a paraphrasing of

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the applicable U.S. patent classification definitions of the subject matter of the claimed invention. This item may also be titled "Technical Field."

- (2) Description of the Related Art including information disclosed under 37 CFR 1.97 and 37 CFR 1.98: A description of the related art known to the applicant and including, if applicable, references to specific related art and problems involved in the prior art which are solved by the applicant's invention. This item may also be titled "Background Art."
- (g) Brief Summary of the Invention: See MPEP § 608.01(d). A brief summary or general statement of the invention as set forth in 37 CFR 1.73. The summary is separate and distinct from the abstract and is directed toward the invention rather than the disclosure as a whole. The summary may point out the advantages of the invention or how it solves problems previously existent in the prior art (and preferably indicated in the Background of the Invention). In chemical cases it should point out in general terms the utility of the invention. If possible, the nature and gist of the invention or the inventive concept should be set forth. Objects of the invention should be treated briefly and only to the extent that they contribute to an understanding of the invention.
- (h) Brief Description of the Several Views of the Drawing(s): See MPEP § 608.01(f). A reference to and brief description of the drawing(s) as set forth in 37 CFR 1.74.
- (i) Detailed Description of the Invention: See MPEP § 608.01(g). A description of the preferred embodiment(s) of the invention as required in 37 CFR 1.71. The description should be as short and specific as is necessary to describe the invention adequately and accurately. Where elements or groups of elements, compounds, and processes, which are conventional and generally widely known in the field of the invention described and their exact nature or type is not necessary for an understanding and use of the invention by a person skilled in the art, they should not be described in detail. However, where particularly complicated subject matter is involved or where the elements, compounds, or processes may not be commonly or widely known in the field, the specification should refer to another patent or readily available publication which adequately describes the subject matter.
- (j) Claim or Claims: See 37 CFR 1.75 and MPEP § 608.01(m). The claim or claims must commence on separate sheet or electronic page (37 CFR 1.52(b)(3)). Where a claim sets forth a plurality of elements or steps, each element or step of the claim should be separated by a line indentation.

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There may be plural indentations to further segregate subcombinations or related steps. See 37 CFR 1.75 and MPEP § 608.01(i)-(p).

- (k) Abstract of the Disclosure: See MPEP § 608.01(f). A brief narrative of the disclosure as a whole in a single paragraph of 150 words or less commencing on a separate sheet following the claims. In an international application which has entered the national stage (37 CFR 1.491(b)), the applicant need not submit an abstract commencing on a separate sheet if an abstract was published with the international application under PCT Article 21. The abstract that appears on the cover page of the pamphlet published by the International Bureau (IB) of the World Intellectual Property Organization (WIPO) is the abstract that will be used by the USPTO. See MPEP § 1893.03(e).
- (l) Sequence Listing. See 37 CFR 1.821-1.825 and MPEP §§ 2421-2431. The requirement for a sequence listing applies to all sequences disclosed in a given application, whether the sequences are claimed or not. See MPEP § 2421.02.

The following guidelines illustrate the preferred layout for the specification of a utility application. These guidelines are suggested for the applicant's use.

### **Arrangement of the Specification**

As provided in 37 CFR 1.77(b), the specification of a utility application should include the following sections in order. Each of the lettered items should appear in upper case, without underlining or bold type, as a section heading. If no text follows the section heading, the phrase "Not Applicable" should follow the section heading:

- (a) TITLE OF THE INVENTION.
- (b) CROSS-REFERENCE TO RELATED APPLICATIONS.
- (c) STATEMENT REGARDING FEDERALLY SPONSORED RESEARCH OR DEVELOPMENT.
- (d) THE NAMES OF THE PARTIES TO A JOINT RESEARCH AGREEMENT.
- (e) INCORPORATION-BY-REFERENCE OF MATERIAL SUBMITTED ON A COMPACT DISC.
- (f) BACKGROUND OF THE INVENTION.
  - (1) Field of the Invention.
  - (2) Description of Related Art including information disclosed under 37 CFR 1.97 and 1.98.
- (g) BRIEF SUMMARY OF THE INVENTION.
- (h) BRIEF DESCRIPTION OF THE SEVERAL VIEWS OF THE DRAWING(S).
- (i) DETAILED DESCRIPTION OF THE INVENTION.
- (j) CLAIM OR CLAIMS (commencing on a separate sheet).
- (k) ABSTRACT OF THE DISCLOSURE (commencing on a separate sheet).

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- (I) SEQUENCE LISTING (See MPEP § 2424 and 37 CFR 1.821-1.825. A “Sequence Listing” is required on paper if the application discloses a nucleotide or amino acid sequence as defined in 37 CFR 1.821(a) and if the required “Sequence Listing” is not submitted as an electronic document on compact disc).

### ***Oath/Declaration***

The oath or declaration is defective. A new oath or declaration in compliance with 37 CFR 1.67(a) identifying this application by application number and filing date is required. See MPEP §§ 602.01 and 602.02.

The oath or declaration is defective because:

The full name of each inventor (family name and at least one given name together with any initial) has not been set forth.

Specifically as to the first named inventor, in the provisional application filed, the first named inventor is Phil Jones, but in the instant application, the first named inventor is Emerson P. Jones. It is not clear that this is the same inventor. Applicant should correct so as to clarify that the priority document is by the same inventive entity.

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1 and 5 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

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Specifically as to claim 1, the claim is directed to a method implemented by a programmed computer system for use in connection with the sale of a stock as recited in the preamble, while the body of the claim does not refer back to the computer system and vaguely references inputting data, calculating a number, and recording but it is unclear to where all these actions are occurring. Applicant should tie in the method steps to the apparatus of the preamble because there is no positively recited method step for implementing a programmed computer system for use in connection with the sale of stock by a first entity.

Specifically as to claim 5, in line 1 of the claim, the term “essentially equals” is vague and indefinite and renders the metes and bounds of the claim unclear.

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-20 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claim 1 recites a process comprising the steps of inputting, calculating and recording while claims 2-20 appear to be directed to a contract. Based on Supreme Court precedent, a proper process must be tied to another statutory class or transform underlying subject matter to a different state or thing (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409



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U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876)). Since neither of these requirements is met by the claim, the method is not considered a patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example by identifying the apparatus that accomplished the method steps or positively reciting the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

### ***Double Patenting***

Claims 1-20 of this application conflict with claims 1-20 of Application No. 10/677838. 37 CFR 1.78(b) provides that when two or more applications filed by the same applicant contain conflicting claims, elimination of such claims from all but one application may be required in the absence of good and sufficient reason for their retention during pendency in more than one application. Applicant is required to either cancel the conflicting claims from all but one application or maintain a clear line of demarcation between the applications. See MPEP § 822.

A rejection based on double patenting of the "same invention" type finds its support in the language of 35 U.S.C. 101 which states that "whoever invents or discovers any new and useful process ... may obtain a patent therefor ..." (Emphasis added). Thus, the term "same invention," in this context, means an invention drawn to identical subject matter. See *Miller v. Eagle Mfg. Co.*, 151 U.S. 186 (1894); *In re Ockert*, 245 F.2d 467, 114 USPQ 330 (CCPA 1957); and *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970).

A statutory type (35 U.S.C. 101) double patenting rejection can be overcome by canceling or amending the conflicting claims so they are no longer coextensive in scope. The filing of a terminal disclaimer cannot overcome a double patenting rejection based upon 35 U.S.C. 101.

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Claims 1-20 are provisionally rejected under 35 U.S.C. 101 as claiming the same invention as that of claims 1-20 of copending Application No. 10/677838. This is a provisional double patenting rejection since the conflicting claims have not in fact been patented. It is noted that claims 1 and 2 of the instant application include added the functional language “wherein the pre-paid forward contract comprises a call option. As such, this language has not been given patentable weight as the claimed invention in 10/677838 is capable of performing this function.

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claim 1 is rejected under 35 U.S.C. 102(b) as being anticipated by Pushka (US 2002/0103852).

Pushka discloses a method implemented by a programmed computer system for use in connection with the sale of stock by a first entity (abstract), which method comprises the steps of: inputting data regarding the sale, by the first entity to a second entity, of a security consisting of: (i) a post-paid forward contract which obligates the second entity to purchase a fixed number of shares stock of the first entity; and (ii) debt; inputting data regarding the purchase, by the first entity from the second entity, of a pre-

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paid forward contract which obligates the second entity to deliver to the first entity a variable number of shares of stock in the first entity; inputting a then-current stock price associated with the stock of the first entity; calculating a number of shares underlying the pre-paid forward contract, based on a formula that is a function of a then-current stock price and a remaining maturity associated with the pre-paid forward contract; recording the data regarding the sale, by the first entity to the second entity, of the security consisting of: (i) the post-paid forward contract; and (ii) the debt; recording the data regarding the purchase, by the first entity from the second entity, of the pre-paid forward contract; and recording the calculated number of shares underlying the pre-paid forward contract; wherein the pre-paid forward contract comprises a call option (see para [0123], figure 3, para [0124], figure 4, para [0111, 0115, 0117-0119, 0127-0128, 0130-0132, 0142-0144]).

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.

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4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

Claims 2-3, 6-7, 9-10, 14-15, 18-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pushka as applied above, and further in view of Anonymous (Seattle Times, March 29, 2001, page 1).

Specifically as to claim 2, Pushka discloses a security, comprising a post-paid forward contract between a first entity and a second entity, which post- paid forward contract obligates the second entity to purchase a fixed number of shares stock of the first entity; debt of the first entity , a prepaid forward contract and wherein the prepaid forward contract comprises a call option as cited above for claim 1 but does not specifically disclose a pre-paid forward contract obligates the second entity to deliver to the first entity a variable number of shares of stock in the first entity.

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Anonymous discloses a pre-paid forward contract between the first entity and the second entity; which pre- paid forward contract obligates the second entity to deliver to the first entity a variable number of shares of stock in the first entity (page 1).

It would have been obvious to one of ordinary skill in the art to include in the financial system of Pushka the abilities as taught by Anonymous since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Specifically as to claim 3, wherein the stock of the first entity is common stock in a public company (Anonymous page 1). It would have been obvious to one of ordinary skill in the art to include in the financial system of Pushka the abilities as taught by Anonymous since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Specifically as to claim 6, wherein the first entity pays, to the second entity, a contract fee on the post-paid forward contract, see Pushka, para [0124].

Specifically as to claim 7, wherein the contract fee is paid once, see Pushka para [0124].

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Specifically as to claim 9, wherein the debt is initially pledged as collateral to secure the obligations of the second entity under the post-paid forward contract (see Pushka, [para 0124]).

Specifically as to claim 10, wherein the second entity has the right to recollateralize the post-paid forward contract (see Pushka, para [0124]).

Specifically as to claims 14 and 15, Pushka discloses the security of claim 2 but does not specifically disclose wherein the pre-paid forward contract obligates the second entity to deliver to the first entity a variable number of shares of stock in the first entity depending on a price of the stock at maturity of the pre-paid forward contract, and wherein the first entity pre-pays the purchase price of the stock and need not pay for the stock at the time of delivery.

Anonymous discloses the prepaid forward contract obligate the second entity to deliver to the first entity a variable number of shares of stock in the first entity depending on a price of the stock at maturity of the pre-paid forward contract, and wherein the first entity pre-pays the purchase price of the stock and need not pay for the stock at the time of delivery.

It would have been obvious to one of ordinary skill in the art to include in the financial system of Pushka the abilities as taught by Anonymous since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

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Specifically as to claim 18, wherein, prior to maturity of the pre-paid forward contract, the first entity has the right to fix the number of shares underlying the pre-paid forward contract, based on a formula that is a function of a then-current stock price and a remaining maturity associated with the pre-paid forward contract (para [0124]).

Specifically as to claim 19, wherein the post-paid forward contract and the debt are initially pledged as collateral to secure the obligations of the second entity to deliver stock pursuant to the pre-paid forward contract (para [0124]).

Specifically as to claim 20, wherein the second entity has the right to recollateralize the pre-paid forward contract with common stock of the first entity (para [0124]).

Claims 4 and 5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pushka (US 2002/0103852) in view of Anonymous as applied to claim 2 above, and further in view of Rubinger (Florida Bar Journal, Jan 1, 2003).

Pushka and Anonymous disclose the security as disclosed above in claim 2, but do not specifically disclose wherein the post-paid forward contract obligates the first entity to sell and the second entity to purchase, at maturity of the post-paid forward contract, a fixed number of shares of stock in the first entity for a fixed price and wherein the fixed price essentially equals a face amount of the debt.

Rubinger discloses a tax deferral technique where the post paid forward contract and a fixed number of shares of stock in the first entity for a fixed price where it equals the face amount of the debt.

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It would have been obvious to one of ordinary skill in the art to include in the financial system of Pushka in view of Anonymous the tax deferral technique as taught by Rubinger since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 8 and 16-17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pushka (US 2002/0103852) in view of Anonymous (Seattle Times, March 29, 2001) as applied to claims 2, 6, 14-15 above, and further in view of Sugahara (US 7236955).

Specifically as to claim 8, Pushka and Anonymous disclose the security as disclosed in claim 6 but do not specifically disclose wherein the contract fee is paid periodically at a time selected from the group including, daily, weekly, monthly, quarterly, semi-annually, and annually. Sugahara discloses periodical payments (see col. 4 lines 12-15, lines 64 to line 14 of col. 5).

It would have been obvious to one of ordinary skill in the art to include in the financial system of Pushka in view of Anonymous the periodic payments as taught by Sugahara since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.



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Specifically as to claims 16 and 17, Pushka and Anonymous disclose the security of claim 15 but do not specifically teach wherein at least a portion of the purchase price of the stock is paid to the second entity at the time of issuance of the pre-paid forward contract with the remaining portion funded through periodic contract payments and wherein the contract payments are paid periodically at a time selected from the group including daily, weekly, monthly, quarterly, semi-annually, and annually.

Sugahara discloses a portion of the purchase price is paid to the second entity at the time of issuance and periodical payments (see col. 4 lines 12-15, lines 64 to line 14 of col. 5).

It would have been obvious to one of ordinary skill in the art to include in the financial system of Pushka in view of Anonymous the periodic payments as taught by Sugahara since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 11-13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pushka (US 2002/0103852) in view of Anonymous (Seattle Times, March 29, 2001) as applied to claim 2 above, and further in view of Daughtery (US 6263321).

Pushka and Anonymous disclose the security of claim 2 but do not specifically disclose wherein the debt pays a fixed cash coupon, subject to reset.

Daughtery discloses debt with cash coupons and reset (see col. 21, lines 28-40).

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It would have been obvious to one of ordinary skill in the art to include in the financial system of Pushka in view of Anonymous the debt payment methods by Daughtery since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Specifically as to claim 12, wherein the contract payments are paid periodically at a time selected from the group including daily, weekly, monthly, quarterly, semi-annually, and annually see above rejections for claims 11 and 8.

Specifically as to claim 13, Daughtery discloses wherein the coupon is reset and the debt is remarked (see col. 22, lines 55-65).

It would have been obvious to one of ordinary skill in the art to include in the financial system of Pushka in view of Anonymous the debt payment methods by Daughtery since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

***Examiner's Note***

Examiner has cited particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It

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is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Aberman et al. disclose financial instruments and related methods. Jones et al. disclose methods for performing data processing operations associated with securities and security structures as well as method for issuing a unit. Bowen et al. discloses a method and system for securitizing contracts values on an index. Birle et al. disclose convertible financial instruments with contingent payments.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Kelly Campen whose telephone number is (571)272-6740. The examiner can normally be reached on Monday-Thursday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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/Kelly Campen/  
Examiner, Art Unit 3691